

Executive Summary – Enforcement Matter – Case No. 47595
Baker Hughes Oilfield Operations, Inc.
RN100695758
Docket No. 2013-1700-MLM-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

MLM - IHW, MSW, WQ

Small Business:

No

Location(s) Where Violation(s) Occurred:

Baker Hughes Oilfield Alice Pressure Pumping, 2001 Harkins, Alice, Jim Wells County

Type of Operation:

Facility that provides services for the oil and gas exploration industry

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: February 28, 2014

Comments Received: No

Penalty Information

Total Penalty Assessed: \$8,625

Amount Deferred for Expedited Settlement: \$1,724

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$6,901

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - High

Site/RN - High

Major Source: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2011

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: May 31, 2013

Date(s) of NOE(s): August 28, 2013

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Violation Information

1. Failed to provide notice to the Executive Director ("ED") in writing or using electronic notification software provided by the ED, of any such changes or additional information to that reported previously within 90 days of the occurrence of such change or of becoming aware of such additional information. Specifically, the Notice of Registration ("NOR") primary contact, company name, site name, owner name, and billing contact were in need of updating. Additionally, the hazardous waste streams were missing from the NOR, solid waste management units managing hazardous waste were listed active when inactive or were completely missing, and the units listed did not reflect the waste actively managed in the units [30 TEX. ADMIN. CODE § 335.6(c)].
2. Failed to keep records of all hazardous and industrial solid waste activities regarding the quantities generated, stored, processed, and disposed of on-site or shipped off-site for storage, processing, or disposal. Specifically, the Respondent failed to maintain the quantity of waste generated; the quantity of waste held in on-site storage as of December 31st of each year; the method of storage, processing, or disposal; and the quantity of waste shipped off-site for storage, processing, or disposal for each calendar year, including the name, address, and location of each off-site facility and transporter receiving the shipments [30 TEX. ADMIN. CODE § 335.9(a)(1)].
3. Failed to sign and certify the Storm Water Pollution Prevention Plan ("SWP3") [30 TEX. ADMIN. CODE § 305.125(1) and Texas Pollutant Discharge Elimination System ("TPDES") Multi-Sector General Permit No. TXR05AO55, Part III, General SWP3 Requirements, Section A.1].
4. Failed to conduct and certify a survey of potential non-stormwater sources within 180 days of filing a notice of intent ("NOI") [30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Inspection and Certification of Non-Storm Water Discharges, Section B.1.(b)].
5. Failed to develop a complete drainage area site map which depicts all items listed in the TPDES General Permit. Specifically, the site map did not include stormwater outfalls observed along the north fence-line and the square footage of the Facility was not listed on the map nor was a clear scale provided to determine the approximate surface area [30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Description of Potential Pollutants and Sources, Section A.3.(d)].
6. Failed to implement all pollution prevention practices determined to be necessary, reasonable, and effective by the stormwater pollution prevention team and to prevent the discharge of industrial waste into or adjacent to water in the state. Specifically, an earthen berm was not present at the fueling area, there were numerous soil stains at the truck and equipment parking and storage area and the absorbent socks were degraded

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and/or missing, a leaking tote was also observed in the product storage area, there were multiple spills to concrete and soils around the test pad area, and the wash bay structural controls were not present [30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Pollution Prevention Measures and Controls, Section A.4., and TEX. WATER CODE § 26.121(a)(2)].

7. Failed to document routine facility inspections. Specifically, routine inspections did not include the date and time, weather information, and any previously unidentified discharges of pollutants from the Facility [30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Routine Facility Inspections, Section B.2.(c)].

8. Failed to maintain and include in the SWP3 records of quarterly visual monitoring. Specifically, only the most recent quarterly visual monitoring record was available for review [30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Quarterly Visual Monitoring, Section B.3.(c)].

9. Failed to inspect the rain gauge a minimum of once per week and once per day during storm events [30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Qualifying Storm Events, Section D.1.(c)].

10. Failed to conduct the comprehensive site compliance inspection at least once each permit year [30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Annual Comprehensive Site Compliance Inspection, Section B.5.(a)].

11. Failed to conduct the hazardous metals monitoring prior to December 31st for each annual monitoring period. Specifically, the annual metals monitoring for calendar year 2012 was done in January 2013 [30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Discharges of Storm Water Runoff, Section C.1.(b)].

12. Failed to prevent the unauthorized disposal of industrial solid waste without the written authorization of the Commission. Specifically, at least 110,796 gallons (2,638 barrels) of wastewater ("dirty water", "sump pit" liquids, "gel water", and "gelled water") was generated at the Baker Hughes Alice facility and transported and disposed of by Mo-Vac Services to a Railroad Commission permitted disposal pit (Pit Permit No. P0077961C) located in Alice, Texas between 2012-2013 [30 TEX. ADMIN. CODE § 335.4].

13. Failed to conduct a hazardous waste determination on the solid waste generated at the Facility pursuant to 30 TEX. ADMIN. CODE § 335.504 (relating to Hazardous Waste Determination) [30 TEX. ADMIN. CODE §§ 335.62 and 335.513 and 40 CODE OF FEDERAL REGULATIONS ("CFR") § 262.11].

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14. Failed to label or clearly mark containers and above ground storage tanks used to store used oil with the words "Used Oil." Specifically, a storage tank in the fueling station area storing used oil was labeled "Waste Oil" [30 TEX. ADMIN. CODE § 324.1 and 40 CFR § 279.22(c)(1)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures:

- a. By January 31, 2013, began collecting samples for hazardous metals monitoring;
- b. By May 31, 2013:
 - i. Properly marked containers used to store used oil; and
 - ii. Began maintaining and including records of quarterly visual monitoring in the SWP3.
- c. By June 21, 2013:
 - i. Signed and certified the SWP3;
 - ii. Developed a complete drainage area site map;
 - iii. Implemented all necessary pollution prevention practices;
 - iv. Began documenting routine facility inspections;
 - v. Began monitoring the rain gauge a minimum of once per week and once per day during storm events; and
 - vi. Began conducting the comprehensive site compliance inspections at least once each permit year.
- d. By August 1, 2013:
 - i. Began maintaining records of all hazardous and industrial solid waste activities;
 - ii. Conducted and certified a survey of potential non-stormwater sources; and
 - iii. Ceased the unauthorized disposal of industrial solid waste generated at the Facility.

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e. By August 5, 2013, conducted a hazardous waste determination on all wastes generated at the Facility and began maintaining the required documentation.

f. By September 16, 2013, provided the required updated NOR to the ED.

Technical Requirements:

N/A

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Larry Butler, Enforcement Division,
Enforcement Team 3, MC 169, (512) 239-2543; Candy Garrett, Enforcement Division,
MC 219, (512) 239-1456

TCEQ SEP Coordinator: N/A

Respondent: Richard Vaclavik, Vice President - U.S. Pressure Pumping, Baker
Hughes Oilfield Operations, Inc., 2929 Allen Parkway, Suite 2100, Houston, Texas
77019

Richard L. Williams, President, Baker Hughes Oilfield Operations, Inc., 2929 Allen
Parkway, Suite 2100, Houston, Texas 77019

Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

DATES	Assigned	3-Sep-2013	Screening	6-Sep-2013	EPA Due	
	PCW	16-Sep-2013				

RESPONDENT/FACILITY INFORMATION

Respondent	Baker Hughes Oilfield Operations, Inc.		
Reg. Ent. Ref. No.	RN100695758		
Facility/Site Region	14-Corpus Christi	Major/Minor Source	Minor

CASE INFORMATION

Enf./Case ID No.	47595	No. of Violations	13
Docket No.	2013-1700-MLM-E	Order Type	1660
Media Program(s)	Industrial and Hazardous Waste	Government/Non-Profit	No
Multi-Media	Water Quality	Enf. Coordinator	Jorge Ibarra, P.E.
		EC's Team	Enforcement Team 3
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** **\$11,750**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History **-10.0%** Enhancement **Subtotals 2, 3, & 7** **-\$1,175**

Notes Reduction for High Performer classification.

Culpability **No** **0.0%** Enhancement **Subtotal 4** **\$0**

Notes The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments **Subtotal 5** **\$2,744**

Economic Benefit **0.0%** Enhancement* **Subtotal 6** **\$0**

Total EB Amounts \$658
Approx. Cost of Compliance \$6,800
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$7,831**

OTHER FACTORS AS JUSTICE MAY REQUIRE

Reduces or enhances the Final Subtotal by the indicated percentage.

8.1% **Adjustment** **\$631**

Notes Recommended enhancement to capture the avoided cost of compliance associated with Violation Nos. 10, 11, and 12.

Final Penalty Amount **\$8,462**

STATUTORY LIMIT ADJUSTMENT

Final Assessed Penalty **\$8,462**

DEFERRAL

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

20.0% Reduction **Adjustment** **-\$1,692**

Notes Deferral offered for expedited settlement.

PAYABLE PENALTY **\$6,770**

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

>> Compliance History Summary

Compliance
History
Notes

Reduction for High Performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) -10%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% -10%

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code § 335.6(c)

Violation Description

Failed to provide notice to the Executive Director in writing or using electronic notification software provided by the Executive Director, of any such changes or additional information to that reported previously within 90 days of the occurrence of such change or of becoming aware of such additional information. Specifically, the Notice of Registration ("NOR") primary contact, company name, site name, owner name, and billing contact were in need of updating. Additionally, the hazardous waste streams were missing from the NOR, solid waste management units managing hazardous waste were listed active when inactive or were completely missing, and the units listed did not reflect the waste actively managed in the units.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

	Harm		
Release	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor
		x		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1

98 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$1,250

One single event is recommended.

Good Faith Efforts to Comply

10.0% Reduction

\$125

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		x
N/A		(mark with x)

Notes The Respondent achieved compliance by September 16, 2013.

Violation Subtotal \$1,125

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$7

Violation Final Penalty Total \$1,081

This violation Final Assessed Penalty (adjusted for limits) \$1,081

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.

Case ID No. 47595

Reg. Ent. Reference No. RN100695758

Media Industrial and Hazardous Waste

Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Cost **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**
Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	31-May-2013	16-Sep-2013	0.30	\$7	n/a	\$7

Notes for DELAYED costs

Estimated cost to provide the required updated NOR to the Executive Director. Date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$7

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code § 335.9(a)(1)

Violation Description

Failed to keep records of all hazardous and industrial solid waste activities regarding the quantities generated, stored, processed, and disposed of on-site or shipped off-site for storage, processing, or disposal. Specifically, the Respondent failed to maintain the quantity of waste generated; the quantity of waste held in on-site storage as of December 31st of each year; the method of storage, processing, or disposal; and the quantity of waste shipped off-site for storage, processing, or disposal for each calendar year, including the name, address, and location of each off-site facility and transporter receiving the shipments.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR	Harm			Percent
	Release	Major	Moderate	
	Actual			
	Potential			0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor	Percent
	X			5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1 Number of violation days 62

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	X

Violation Base Penalty \$1,250

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$312

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes The Respondent achieved compliance by August 1, 2013.

Violation Subtotal \$938

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2

Violation Final Penalty Total \$879

This violation Final Assessed Penalty (adjusted for limits) \$879

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.

Case ID No. 47595

Reg. Ent. Reference No. RN100695758

Media Industrial and Hazardous Waste

Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$200	31-May-2013	1-Aug-2013	0.17	\$2	n/a	\$2
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to maintain records of all hazardous and industrial solid waste activities. Date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$200

TOTAL

\$2

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code § 305.125(1) and Texas Pollutant Discharge Elimination System ("TPDES") Multi-Sector General Permit No. TXR05AO55, Part III, General Storm Water Pollution Prevention Plan ("SWP3") Requirements, Section A.1.

Violation Description

Failed to sign and certify the SWP3 in accordance with Part III, Section E.6.(c).

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

	Harm		
Release	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor
				x

Percent 1.0%

Matrix Notes

At least 70% of the rule requirement was met.

Adjustment \$24,750

\$250

Violation Events

Number of Violation Events 1

21 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$250

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$62

	Before NOV	NOV to EDP RP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes The Respondent achieved compliance by June 21, 2013.

Violation Subtotal \$188

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$176

This violation Final Assessed Penalty (adjusted for limits) \$176

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.

Case ID No. 47595

Reg. Ent. Reference No. RN100695758

Media Industrial and Hazardous Waste

Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$200	31-May-2013	21-Jun-2013	0.06	\$1	n/a	\$1

Notes for DELAYED costs

Estimated cost to to sign and certify the SWP3. Date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$200

TOTAL

\$1

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 4

Rule Cite(s)

30 Tex. Admin. Code § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Inspection and Certification of Non-Storm Water Discharges, Section B.1.(b)

Violation Description

Failed to conduct and certify a survey of potential non-stormwater sources within 180 days of filing a notice of intent ("NOI") in accordance with Part III, Section B.1.(c).

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

	Harm		
Release	Major	Moderate	Minor
Actual			
Potential		x	

Percent 5.0%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to significant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1

62 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	x
	semiannual	
	annual	
	single event	

Violation Base Penalty \$1,250

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$312

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes The Respondent achieved compliance by August 1, 2013.

Violation Subtotal \$938

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$8

Violation Final Penalty Total \$879

This violation Final Assessed Penalty (adjusted for limits) \$879

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.

Case ID No. 47595

Reg. Ent. Reference No. RN100695758

Media Industrial and Hazardous Waste

Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Cost **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**

Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,000	31-May-2013	1-Aug-2013	0.17	\$8	n/a	\$8

Notes for DELAYED costs

Estimated cost to conduct and certify a survey of potential non-stormwater sources. Date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,000

TOTAL

\$8

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 5

Rule Cite(s)

30 Tex. Admin. Code § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05A055, Part III, Description of Potential Pollutants and Sources, Section A.3.(d)

Violation Description

Failed to develop a complete drainage area site map which depicts all items listed in the TPDES General Permit. Specifically, the site map did not include stormwater outfalls observed along the north fence-line and the square footage of the Facility was not listed on the map nor was a clear scale provided to determine the approximate surface area.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
			x

Percent 1.0%

Matrix Notes

At least 70% of the rule requirement was met.

Adjustment \$24,750

\$250

Violation Events

Number of Violation Events 1

21 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$250

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$62

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes The Respondent achieved compliance by June 21, 2013.

Violation Subtotal \$188

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$176

This violation Final Assessed Penalty (adjusted for limits) \$176

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.

Case ID No. 47595

Reg. Ent. Reference No. RN100695758

Media Industrial and Hazardous Waste

Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	31-May-2013	21-Jun-2013	0.06	\$1	n/a	\$1

Notes for DELAYED costs

Estimated cost to develop a complete drainage area site map. Date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$1

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 6

Rule Cite(s)

30 Tex. Admin. Code § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Pollution Prevention Measures and Controls, Section A.4., and Tex. Water Code § 26.121(a)(2)

Violation Description

Failed to implement all pollution prevention practices determined to be necessary, reasonable, and effective by the stormwater pollution prevention team and to prevent the discharge of industrial waste into or adjacent to water in the state. Specifically, an earthen berm was not present at the fueling area, there were numerous soil stains at the truck and equipment parking and storage area and the absorbent socks were degraded and/or missing, a leaking tote was also observed in the product storage area, there were multiple spills to concrete and soils around the test pad area, and the wash bay structural controls were not present.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 5.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1

21 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	X
	semiannual	
	annual	
	single event	

Violation Base Penalty \$1,250

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$312

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes The Respondent achieved compliance by June 21, 2013.

Violation Subtotal \$938

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$879

This violation Final Assessed Penalty (adjusted for limits) \$879

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.
Case ID No. 47595
Reg. Ent. Reference No. RN100695758
Media Industrial and Hazardous Waste
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	31-May-2013	21-Jun-2013	0.06	\$1	n/a	\$1

Notes for DELAYED costs

Estimated cost to implement all necessary pollution prevention practices. Date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$1

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 7

Rule Cite(s)

30 Tex. Admin. Code § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05A055, Part III, Routine Facility Inspections, Section B.2.(c)

Violation Description

Failed to document routine facility inspections. Specifically, routine inspections did not include the date and time, weather information, and any previously unidentified discharges of pollutants from the Facility.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification			
	Major	Moderate	Minor
			x

Percent 1.0%

Matrix Notes

At least 70% of the rule requirement was met.

Adjustment \$24,750

\$250

Violation Events

1

21

Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$250

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$62

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes The Respondent achieved compliance by June 21, 2013.

Violation Subtotal \$188

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$176

This violation Final Assessed Penalty (adjusted for limits) \$176

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.

Case ID No. 47595

Reg. Ent. Reference No. RN100695758

Media Industrial and Hazardous Waste

Violation No. 7

Percent Interest	Years of Depreciation
5.0	15

Item Cost **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**
Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$200	31-May-2013	21-Jun-2013	0.06	\$1	n/a	\$1
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to begin documenting routine facility inspections. Date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$200

TOTAL

\$1

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 8

Rule Cite(s)

30 Tex. Admin. Code § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Quarterly Visual Monitoring, Section B.3.(c)

Violation Description

Failed to maintain and include in the SWP3 records of quarterly visual monitoring. Specifically, only the most recent quarterly visual monitoring record was available for review.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$23,750

\$1,250

Violation Events

1

1 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$1,250

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$312

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent achieved compliance by May 31, 2013.

Violation Subtotal \$938

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$879

This violation Final Assessed Penalty (adjusted for limits) \$879

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.

Case ID No. 47595

Reg. Ent. Reference No. RN100695758

Media Industrial and Hazardous Waste

Violation No. 8

Percent Interest	Years of Depreciation
5.0	15

Item Cost **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**
Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System	\$200	31-May-2013	31-May-2013	0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to begin maintaining and to include in the SWP3 records of quarterly visual monitoring.
 Date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$200

TOTAL

\$0

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 9

Rule Cite(s)

30 Tex. Admin. Code § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Qualifying Storm Events, Section D.1.(c)

Violation Description

Failed to inspect the rain gauge a minimum of once per week and once per day during storm events.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
			x

Percent 1.0%

Matrix Notes

At least 70% of the rule requirement was met.

Adjustment \$24,750

\$250

Violation Events

Number of Violation Events 1

21 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$250

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$62

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	x
N/A	(mark with x)

Notes

The Respondent achieved compliance by June 21, 2013.

Violation Subtotal \$188

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1

Violation Final Penalty Total \$176

This violation Final Assessed Penalty (adjusted for limits) \$176

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.
Case ID No. 47595
Reg. Ent. Reference No. RN100695758
Media Industrial and Hazardous Waste
Violation No. 9

Percent Interest 5.0
Years of Depreciation 15

Item Cost **Date Required** **Final Date** **Yrs** **Interest Saved** **Overtime Costs** **EB Amount**
Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$200	31-May-2013	21-Jun-2013	0.06	\$1	n/a	\$1

Notes for DELAYED costs

Estimated cost to begin monitoring the rain gauge as required. Date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$200

TOTAL

\$1

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 10

Rule Cite(s)

30 Tex. Admin. Code § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Annual Comprehensive Site Compliance Inspection, Section B.5.(a)

Violation Description

Failed to conduct the comprehensive site compliance inspection at least once each permit year.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential		x	

Percent 5.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to significant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1

142 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	x
	single event	

Violation Base Penalty \$1,250

One annual event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$312

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes The Respondent achieved compliance by June 21, 2013.

Violation Subtotal \$938

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$247

Violation Final Penalty Total \$879

This violation Final Assessed Penalty (adjusted for limits) \$879

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.
Case ID No. 47595
Reg. Ent. Reference No. RN100695758
Media Industrial and Hazardous Waste
Violation No. 10

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling	\$500	31-Dec-2012	21-Jun-2013	0.47	\$12	\$236	\$247
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated cost to conduct the required comprehensive site compliance inspection at least once each permit year. Date required is the date the report was due and the final date is the compliance date.

Approx. Cost of Compliance \$500

TOTAL \$247

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 11

Rule Cite(s)

30 Tex. Admin. Code § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Discharges of Storm Water Runoff, Section C.1.(b)

Violation Description

Failed to conduct the hazardous metals monitoring prior to December 31st for each annual monitoring period. Specifically, the annual metals monitoring for calendar year 2012 was done in January 2013.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential		x	

Percent 5.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to significant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	x
	semiannual	
	annual	
	single event	

Violation Base Penalty \$1,250

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$312

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent achieved compliance by January 31, 2013.

Violation Subtotal \$938

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$27

Violation Final Penalty Total \$879

This violation Final Assessed Penalty (adjusted for limits) \$879

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.

Case ID No. 47595

Reg. Ent. Reference No. RN100695758

Media Industrial and Hazardous Waste

Violation No. 11

Percent Interest	Years of Depreciation
5.0	15

Item Cost **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**
Item Description No commas or \$

Delayed Costs

Equipment			0.00	\$0	\$0	\$0
Buildings			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0
Engineering/construction			0.00	\$0	\$0	\$0
Land			0.00	\$0	n/a	\$0
Record Keeping System			0.00	\$0	n/a	\$0
Training/Sampling			0.00	\$0	n/a	\$0
Remediation/Disposal			0.00	\$0	n/a	\$0
Permit Costs			0.00	\$0	n/a	\$0
Other (as needed)			0.00	\$0	n/a	\$0

Notes for DELAYED costs

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal			0.00	\$0	\$0	\$0
Personnel			0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling	\$300	31-Dec-2012 31-Jan-2013	0.08	\$1	\$25	\$27
Supplies/equipment			0.00	\$0	\$0	\$0
Financial Assurance [2]			0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated cost to collect samples for hazardous metals monitoring. Date required is the date the samples were to be collected and the final date is the compliance date.

Approx. Cost of Compliance \$300

TOTAL \$27

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

V12 12

Rule Cite(s)

30 Tex. Admin. Code § 335.4

Violation Description

Failed to prevent the unauthorized disposal of industrial solid waste without the written authorization of the Commission, as documented during the investigation conducted on May 31, 2013. Specifically, at least 110,796 gallons (2,638 barrels) of wastewater ("dirty water", "sump pit" liquids, "gel water", and "gelled water") was generated at the Baker Hughes Alice facility and transported and disposed of by Mo-Vac Services to a Railroad Commission permitted disposal pit (RRC Pit Permit No. P0077961C) located in Alice, Texas between 2012-2013.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

	Harm		
Release	Major	Moderate	Minor
Actual			x
Potential			

Percent 5.0%

>> Programmatic Matrix

	Major	Moderate	Minor
Falsification			

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants which do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,750

\$1,250

Violation Events

Number of Violation Events 1

62 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	x
	semiannual	
	annual	
	single event	

Violation Base Penalty \$1,250

One quarterly event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$312

	Before NOV	NOV to EDP RP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes The Respondent achieved compliance by August 1, 2013.

Violation Subtotal \$938

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$357

Violation Final Penalty Total \$879

This violation Final Assessed Penalty (adjusted for limits) \$879

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.

Case ID No. 47595

Reg. Ent. Reference No. RN100695758

Media Industrial and Hazardous Waste

Violation No. 12

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal	\$2,000	31-May-2013	1-Aug-2013	0.17	\$17	\$340	\$357
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated cost to cease the unauthorized disposal of waste generated at the Facility. Date required is the investigation date and the final date is the compliance date.

Approx. Cost of Compliance

\$2,000

TOTAL

\$357

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 13

Rule Cite(s)

30 Tex. Admin. Code §§ 335.62 and 335.513 and 40 Code of Federal Regulations § 262.11

Violation Description

Failed to conduct a hazardous waste determination on the solid waste generated at the Facility pursuant to 30 Tex. Admin. Code § 335.504 (relating to Hazardous Waste Determination).

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Major	Harm	Moderate	Minor
Actual				
Potential				x

Percent 3.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment would or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$24,250

\$750

Violation Events

Number of Violation Events 1

66 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$750

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$187

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes The Respondent achieved compliance by August 5, 2013.

Violation Subtotal \$563

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$5

Violation Final Penalty Total \$527

This violation Final Assessed Penalty (adjusted for limits) \$527

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.
Case ID No. 47595
Reg. Ent. Reference No. RN100695758
Media Industrial and Hazardous Waste
Violation No. 13

Percent Interest 5.0
Years of Depreciation 15

Item Cost **Date Required** **Final Date** **Yrs** **Interest Saved** **Onetime Costs** **EB Amount**
Item Description No commas or \$

Delayed Costs

Equipment			0.00	\$0	\$0	\$0
Buildings			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0
Engineering/construction			0.00	\$0	\$0	\$0
Land			0.00	\$0	n/a	\$0
Record Keeping System			0.00	\$0	n/a	\$0
Training/Sampling			0.00	\$0	n/a	\$0
Remediation/Disposal			0.00	\$0	n/a	\$0
Permit Costs			0.00	\$0	n/a	\$0
Other (as needed)	\$500	31-May-2013	5-Aug-2013	0.18	\$5	\$5

Notes for DELAYED costs

Estimated cost to conduct a hazardous waste determination on all wastes generated at the Facility and to begin maintaining the required documentation. Date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal			0.00	\$0	\$0	\$0
Personnel			0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling			0.00	\$0	\$0	\$0
Supplies/equipment			0.00	\$0	\$0	\$0
Financial Assurance [2]			0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]			0.00	\$0	\$0	\$0
Other (as needed)			0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$5



Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ

DATES	Assigned	3-Sep-2013	Screening	6-Sep-2013	EPA Due	
	PCW	16-Sep-2013				

RESPONDENT/FACILITY INFORMATION

Respondent	Baker Hughes Oilfield Operations, Inc.		
Reg. Ent. Ref. No.	RN100695758		
Facility/Site Region	14-Corpus Christi	Major/Minor Source	Minor

CASE INFORMATION

Enf./Case ID No.	47595	No. of Violations	1
Docket No.	2013-1700-MLM-E	Order Type	1660
Media Program(s)	Used Oil	Government/Non-Profit	No
Multi-Media	Water Quality	Enf. Coordinator	Jorge Ibarra, P.E.
		EC's Team	Enforcement Team 3
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$5,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$250
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History	-10.0%	Enhancement	Subtotals 2, 3, & 7	-\$25
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Notes: Reduction for High Performer classification.

Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$62
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts: \$0
Approx. Cost of Compliance: \$75
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$163
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$163
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$163
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DEFERRAL	20.0%	Reduction	Adjustment	-\$32
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

Deferral offered for expedited settlement.

PAYABLE PENALTY	\$131
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Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Used Oil

Enf. Coordinator Jorge Ibarra, P.E.

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

High Performer

Adjustment Percentage (Subtotal 7) -10%

>> Compliance History Summary

Compliance
History
Notes

Reduction for High Performer classification.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) -10%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% -10%

Screening Date 6-Sep-2013

Docket No. 2013-1700-MLM-E

PCW

Respondent Baker Hughes Oilfield Operations, Inc.

Policy Revision 3 (September 2011)

Case ID No. 47595

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100695758

Media [Statute] Used Oil

Enf. Coordinator Jorge Ibarra, P.E.

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code § 324.1 and 40 Code of Federal Regulations § 279.22(c)(1)

Violation Description

Failed to label or clearly mark containers and above ground storage tanks used to store used oil with the words "Used Oil". Specifically, a storage tank in the fueling station area storing used oil was labeled "Waste Oil".

Base Penalty \$5,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$4,750

\$250

Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$250

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$62

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	x
N/A	(mark with x)

Notes The Respondent achieved compliance by May 31, 2013.

Violation Subtotal \$188

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$163

This violation Final Assessed Penalty (adjusted for limits) \$163

Economic Benefit Worksheet

Respondent Baker Hughes Oilfield Operations, Inc.
Case ID No. 47595
Reg. Ent. Reference No. RN100695758
Media Used Oil
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$75	31-May-2013	31-May-2013	0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to properly label or clearly mark containers used to store used oil. Date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$75

TOTAL

\$0



Compliance History Report

Customer, Respondent, or Owner/Operator:	CN600290134, Baker Hughes Oilfield Operations, Inc.	Classification: HIGH	Rating: 0.07
Regulated Entity:	RN100695758, BAKER HUGHES OILFIELD ALICE PRESSURE PUMPING	Classification: HIGH	Rating: 0.00
Complexity Points:	6	Repeat Violator:	NO
CH Group:	14 - Other		
Location:	2001 HARKINS IN ALICE, JIM WELLS COUNTY, TEXAS		
TCEQ Region:	REGION 14 - CORPUS CHRISTI		
ID Number(s):	POLLUTION PREVENTION PLANNING ID NUMBER P03161 STORMWATER PERMIT TXR05AO55 INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 37583 PETROLEUM STORAGE TANK REGISTRATION 73503 INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD148730997 AIR NEW SOURCE PERMITS REGISTRATION 95077		
Compliance History Period:	September 01, 2008 to August 31, 2013	Rating Year:	2013
		Rating Date:	09/01/2013
Date Compliance History Report Prepared:	September 12, 2013		
Agency Decision Requiring Compliance History:	Enforcement		
Component Period Selected:	September 12, 2008 to September 12, 2013		
TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.			
Name:	Jorge Ibarra, P.E.	Phone:	(817) 588-5890

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? YES
- 3) If **YES** for #2, who is the current owner/operator? Baker Hughes Oilfield Operations, Inc. OWNER OPERATOR since 7/11/2011
BJ Services Company, U.S.A. OWNER OPERATOR since 8/1/2000
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? BJ Services Company USA, LP, OWNER OPERATOR, 9/13/2000 to 7/11/2011
- 5) If **YES**, when did the change(s) in owner or operator occur? 7/11/2011

Components (Multimedia) for the Site Are Listed in Sections A - J

- A. Final Orders, court judgments, and consent decrees:**
N/A
- B. Criminal convictions:**
N/A
- C. Chronic excessive emissions events:**
N/A
- D. The approval dates of investigations (CCEDS Inv. Track. No.):**
N/A
- E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):**

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

N/A

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
BAKER HUGHES OILFIELD
OPERATIONS, INC.
RN100695758**

**§ BEFORE THE
§
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2013-1700-MLM-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Baker Hughes Oilfield Operations, Inc. ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE chs. 361 and 371 and TEX. WATER CODE chs. 7 and 26. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a facility that provides services for the oil and gas exploration industry located at 2001 Harkins in Alice, Jim Wells County, Texas (the "Facility").
2. The Facility involves or involved the management of industrial solid waste and/or industrial hazardous waste as defined in TEX. HEALTH & SAFETY CODE ch. 361.
3. The Facility involves or involved the management of used oil as defined in TEX. HEALTH & SAFETY CODE ch. 371, and adjoins, is contiguous with, surrounds, or is near or adjacent to water in the state as defined in TEX. WATER CODE § 26.001(5).
4. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
5. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about September 2, 2013.

6. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
7. An administrative penalty in the amount of Eight Thousand Six Hundred Twenty-Five Dollars (\$8,625) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Six Thousand Nine Hundred One Dollars (\$6,901) of the administrative penalty and One Thousand Seven Hundred Twenty-Four Dollars (\$1,724) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.
8. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
9. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
10. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Facility:
 - a. By January 31, 2013, began collecting samples for hazardous metals monitoring;
 - b. By May 31, 2013:
 - i. Properly marked containers used to store used oil; and
 - ii. Began maintaining and including records of quarterly visual monitoring in the Storm Water Pollution Prevention Plan ("SWP3").
 - c. By June 21, 2013:
 - i. Signed and certified the SWP3;
 - ii. Developed a complete drainage area site map;
 - iii. Implemented all necessary pollution prevention practices;
 - iv. Began documenting routine facility inspections;
 - v. Began monitoring the rain gauge a minimum of once per week and once per day during storm events; and
 - vi. Began conducting the comprehensive site compliance inspections at least once each permit year.

- d. By August 1, 2013:
 - i. Began maintaining records of all hazardous and industrial solid waste activities;
 - ii. Conducted and certified a survey of potential non-stormwater sources; and
 - iii. Ceased the unauthorized disposal of industrial solid waste generated at the Facility.
 - e. By August 5, 2013, conducted a hazardous waste determination on all wastes generated at the Facility and began maintaining the required documentation.
 - f. By September 16, 2013, provided the required updated Notice of Registration ("NOR") to the Executive Director.
- 11. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
 - 12. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
 - 13. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have:

- 1. Failed to provide notice to the Executive Director in writing or using electronic notification software provided by the Executive Director, of any such changes or additional information to that reported previously within 90 days of the occurrence of such change or of becoming aware of such additional information, in violation of 30 TEX. ADMIN. CODE § 335.6(c), as documented during an investigation conducted on May 31, 2013. Specifically, the NOR primary contact, company name, site name, owner name, and billing contact were in need of updating. Additionally, the hazardous waste streams were missing from the NOR, solid waste management units managing hazardous waste were listed active when inactive or were completely missing, and the units listed did not reflect the waste actively managed in the units.
- 2. Failed to keep records of all hazardous and industrial solid waste activities regarding the quantities generated, stored, processed, and disposed of on-site or shipped off-site for storage, processing, or disposal, in violation of 30 TEX. ADMIN. CODE § 335.9(a)(1), as documented during an investigation conducted on May 31, 2013. Specifically, the Respondent failed to maintain the quantity of waste generated; the quantity of waste held

in on-site storage as of December 31st of each year; the method of storage, processing, or disposal; and the quantity of waste shipped off-site for storage, processing, or disposal for each calendar year, including the name, address, and location of each off-site facility and transporter receiving the shipments.

3. Failed to sign and certify the SWP3 in accordance with Part III, Section E.6.(c), in violation of 30 TEX. ADMIN. CODE § 305.125(1) and Texas Pollutant Discharge Elimination System ("TPDES") Multi-Sector General Permit No. TXR05AO55, Part III, General SWP3 Requirements, Section A.1., as documented during an investigation conducted on May 31, 2013.
4. Failed to conduct and certify a survey of potential non-stormwater sources within 180 days of filing a notice of intent ("NOI") in accordance with Part III, Section B.1.(c), in violation of 30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Inspection and Certification of Non-Storm Water Discharges, Section B.1.(b), as documented during an investigation conducted on May 31, 2013.
5. Failed to develop a complete drainage area site map which depicts all items listed in the TPDES General Permit, in violation of 30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Description of Potential Pollutants and Sources, Section A.3.(d), as documented during an investigation conducted on May 31, 2013. Specifically, the site map did not include stormwater outfalls observed along the north fence-line and the square footage of the Facility was not listed on the map nor was a clear scale provided to determine the approximate surface area.
6. Failed to implement all pollution prevention practices determined to be necessary, reasonable, and effective by the stormwater pollution prevention team and to prevent the discharge of industrial waste into or adjacent to water in the state, in violation of 30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Pollution Prevention Measures and Controls, Section A.4., and TEX. WATER CODE § 26.121(a)(2), as documented during an investigation conducted on May 31, 2013. Specifically, an earthen berm was not present at the fueling area, there were numerous soil stains at the truck and equipment parking and storage area and the absorbent socks were degraded and/or missing, a leaking tote was also observed in the product storage area, there were multiple spills to concrete and soils around the test pad area, and the wash bay structural controls were not present.
7. Failed to document routine facility inspections, in violation of 30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Routine Facility Inspections, Section B.2.(c), as documented during an investigation conducted on May 31, 2013. Specifically, routine inspections did not include the date and time, weather information, and any previously unidentified discharges of pollutants from the Facility.
8. Failed to maintain and include in the SWP3 records of quarterly visual monitoring, in violation of 30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Quarterly Visual Monitoring, Section B.3.(c), as documented

during an investigation conducted on May 31, 2013. Specifically, only the most recent quarterly visual monitoring record was available for review.

9. Failed to inspect the rain gauge a minimum of once per week and once per day during storm events, in violation of 30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Qualifying Storm Events, Section D.1.(c), as documented during an investigation conducted on May 31, 2013.
10. Failed to conduct the comprehensive site compliance inspection at least once each permit year, in violation of 30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Annual Comprehensive Site Compliance Inspection, Section B.5.(a), as documented during an investigation conducted on May 31, 2013.
11. Failed to conduct the hazardous metals monitoring prior to December 31st for each annual monitoring period, in violation of 30 TEX. ADMIN. CODE § 305.125(1) and TPDES Multi-Sector General Permit No. TXR05AO55, Part III, Discharges of Storm Water Runoff, Section C.1.(b), as documented during an investigation conducted on May 31, 2013. Specifically, the annual metals monitoring for calendar year 2012 was done in January 2013.
12. Failed to prevent the unauthorized disposal of industrial solid waste without the written authorization of the Commission, in violation of 30 TEX. ADMIN. CODE § 335.4, as documented during an investigation conducted on May 31, 2013. Specifically, at least 110,796 gallons (2,638 barrels) of wastewater ("dirty water", "sump pit" liquids, "gel water", and "gelled water") was generated at the Baker Hughes Alice facility and transported and disposed of by Mo-Vac Services to a Railroad Commission permitted disposal pit (RRC Pit Permit No. P0077961C) located in Alice, Texas between 2012-2013.
13. Failed to conduct a hazardous waste determination on the solid waste generated at the Facility pursuant to 30 TEX. ADMIN. CODE § 335.504 (relating to Hazardous Waste Determination), in violation of 30 TEX. ADMIN. CODE §§ 335.62 and 335.513 and 40 CODE OF FEDERAL REGULATIONS ("CFR") § 262.11, as documented during an investigation conducted on May 31, 2013.
14. Failed to label or clearly mark containers and above ground storage tanks used to store used oil with the words "Used Oil", in violation of 30 TEX. ADMIN. CODE § 324.1 and 40 CFR § 279.22(c)(1). Specifically, a storage tank in the fueling station area storing used oil was labeled "Waste Oil".

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 7 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Baker Hughes Oilfield Operations, Inc., Docket No. 2013-1700-MLM-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
4. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission

Ramona Narvaez
For the Executive Director

6/22/15
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

Richard Vaclavik
Signature

1-3-2014
Date

Richard Vaclavik

Name (Printed or typed)
Authorized Representative of
Baker Hughes Oilfield Operations, Inc.

V.P. U.S. Pressure Pumping

Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section W, Paragraph 1 of this Agreed Order.